

**Audit of the Contractor's
General Services Administration
Time and Materials Labor Practices**

September 2003

Reference Number: 2003-1C-207

**This report has cleared the Treasury Inspector General For Tax Administration
disclosure review process and information determined to be restricted from public
release has been redacted from this document.**



INSPECTOR GENERAL
for TAX
ADMINISTRATION

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

September 24, 2003

MEMORANDUM FOR DAVID A. GRANT
DIRECTOR OF PROCUREMENT
INTERNAL REVENUE SERVICE

FROM: Daniel R. Devlin
Assistant Inspector General for Audit (Headquarters Operations
and Exempt Organizations Programs)

SUBJECT: Audit of the Contractor's General Services Administration Time
and Materials Labor Practices (Audit #200310002.048)

The Defense Contract Audit Agency (DCAA) examined the contractor's General Services Administration (GSA) time and materials (T&M) labor practices as of April 14, 2003. The purpose of the examination was to assure the contractor has established appropriate controls concerning compliance with applicable laws and regulations, including GSA schedule requirements. The contractor is responsible for establishing and maintaining adequate labor practices concerning its participation in the GSA Schedules.

The DCAA opined that the contractor's GSA labor practices are adequate. Additionally, the DCAA established that the contractor follows GSA's requirements concerning bidding prime and subcontract labor hours on applicable GSA-based awards.

The information in this report should not be used for purposes other than those intended without prior consultation with the Treasury Inspector General for Tax Administration regarding their applicability.

If you have any questions, please contact me at (202) 622-8500 or John R. Wright, Director at (202) 927-7077.

Attachment

NOTICE:

The Office of Inspector General for Tax Administration has no objection to the release of this report, at the discretion of the contracting officer, to duly authorized representatives of the contractor.

The contractor information contained in this report is proprietary information. The restrictions of 18 U.S.C. § 1905 must be followed in releasing any information to the public.

This report may not be released without the approval of this office, except to an agency requesting the report for use in negotiating or administering a contract with the contractor.

The TIGTA seal was removed due to its size.